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"C O N F I D E N T I A L SECTION 01 OF 02 OTTAWA 001529

SIPDIS

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TAGS: [PGOV](#) [CA](#)

SUBJECT: DUMPING DION (PART II)

REF: A. OTTAWA 1348

[B.](#) OTTAWA 1518

[C.](#) OTTAWA 1516

Classified By: PolMinCouns Scott Bellard, reason 1.4 (d)

¶1. (C) Summary. Liberal Party leader Stephane Dion on December 8 indicated his intention to resign as leader of the Official Opposition. Michael Ignatieff remains the front runner to replace him, but it appears that the selection process is still not a slam dunk. Technically, the 77-member Liberal caucus of MPs does not have the authority to name an interim leader; only a separate 32-member National Executive can. Rival Bob Rae is still fighting to have the National Executive, with possible support from the large patches of Canada that do not have Liberal MPs, insist on a one-member-one-vote selection process instead. All this confusion is probably welcome news for the ruling Conservative Party. One way or another, Canada's unexpected and unusual political drama will continue well into 2009.
End Summary.

¶2. (C) The beating of wardrums clamoring for the immediate resignation of Official Opposition Liberal Party leader Stephane Dion picked up new rhythm with a December 6 op ed piece by Liberal former Deputy Prime Minister John Manley in "The Globe and Mail." Dion was already a lame duck leader (ref a), having immediately after the disastrous Liberal showing in the October 14 federal election announced his intention formally to resign following an expected May 2, 2009 vote at the national Liberal convention. His inept performance during the political dramas during the week of December 1 (refs b and c) was apparently the final straw for Liberal loyalists.

¶3. (U) Dion made public his resignation letter on December 8, insisting that his "earlier departure does not change the facts of the situation that the Prime Minister has created in the last two weeks." The letter further made explicit that his resignation, however, would come into effect "as soon as my successor is chosen." He reiterated support for the Liberal/New Democratic Party alliance as a "solid basis to give Canada a government that reflects both the aspirations of the majority of Canadians and the support of the majority of Members of Parliament."

¶4. (C) Unfortunately for the Liberals, the mechanics of choosing a new leader are more complex than many may have realized. According to the Liberal Party constitution, a permanent leader can only emerge from a vote at a national convention of elected delegates. Currently, the selection of delegates will be March 6-8, 2009, with the convention in Vancouver April 29-May 3. The party constitution nonetheless stipulates that, should a leader resign or announce the intention to resign, only the National Executive -- a 32 member board of whom the party leader and another caucus representative are the only MP representatives, while others are mostly senior officials of the national party and heads of the provincial Liberal parties -- can choose an interim leader. The National Executive is obliged to meet within 27 days of the resignation of the leader, and only to hold

" "consultations" " with members of the caucus.

15. (C) Further complicating the situation is that leadership candidate Bob Rae has not bowed to the perceived momentum toward choosing Michael Ignatieff as interim party leader (whose position would logically then receive formal endorsement at the May 2 party convention vote). (By contrast, would-be rival Dominic LeBlanc stepped aside on December 8 in favor of Ignatieff, " "the consensus choice." ") Ignatieff supporters have claimed that they have at least 55 members of the 77 person Liberal caucus supporting him. However, in an open letter/email message to Liberal members on December 7, Rae underscored that the caucus was unrepresentative of the party, with only " "literally two Liberals between North Bay, Ontario and Vancouver, BC" " and " "without representative from most of francophone Quebec outside of Montreal." " He called instead for use of a " "one-member-one-vote democratic leadership selection" " -- which other Canadian parties use but which the 2006 Liberal national party convention had explicitly rejected -- and claimed that the National Executive was " "working on" " such a plan to put in place immediately. He urged members to weigh in with the National Executive and " "put a stop to this hasty, ill-considered idea" " of permitting a " "closed caucus vote" " to decide on an interim leader.

16. (C) Comment: The ruling party Conservatives may well be cackling with glee as they watch yet another unnecessary mis-step by Dion as well as the resurgent leadership rivalries -- and long-standing enmities -- within the Liberal Party. Ignatieff's selection would likely be the death knell of the Liberal/NDP coalition, whereas Rae's selection would

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keep this option alive -- and this is the additional factor that Liberal MPs and nationwide members are also probably weighing. One way or another, Canada's unexpected and unusual political drama will continue well into 2009.

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